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051753Z Oct 05

UNCLAS SECTION 01 OF 02 KINGSTON 002293

SIPDIS

FOR WHA/CAR
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E.O. 12958: N/A

TAGS: [AMGT](#) [PREL](#) [JM](#)

SUBJECT: GOJ REQUIRES COMPREHENSIVE INSURANCE FOR VEHICLES
OF FOREIGN MISSIONS, INCLUDING DIPLOMATIC AND NON-DIPLOMATIC
STAFF

REF: MFT&FT DIPNOTE OF 2/16/2005

1. SUMMARY: This is an ACTION TELEGRAM; see para 9. The GOJ is refusing to license newly imported GOVs and POVs, and will not renew existing official and personal vehicle registrations unless the Embassy and its staff purchase local comprehensive insurance covering the value of duties and taxes. This action has disrupted normal Embassy operations, forcing us to run a shuttle service for staff whose vehicles may not be driven, severely limiting our ability to provide normal services and meet Mission Performance goals, and degrading the quality of life of Mission staff and family members. Post believes the subject GOJ requirement to be a violation of the Vienna Convention on Diplomatic Relations and seeks Department support for a prompt and acceptable resolution of this matter with the GOJ. END SUMMARY.

2. On February 16, 2005, the Ministry of Foreign Affairs and Foreign Trade (MFA&FT) issued a diplomatic note to the Heads of Diplomatic Missions and International Organizations regarding current Motor Vehicle Import Policy (copy transmitted by e-mail to WHA/CAR and OFM). Most of the note was routine and indicated the requirements for licensing and registration of all motor vehicles belonging to Missions and Members of Missions. The Embassy questioned at the time a paragraph indicating, "All Diplomatic and Non-Diplomatic personnel are required to insure their motor vehicle comprehensively (full coverage) at a value to cover duties and sales tax." A protocol officer of MFA&FT indicated to us that this requirement has always been in place but had not been enforced in the past.

3. Post believes that the GOJ requirement to insure vehicles comprehensively for the value of duties and sales tax is a direct violation of Articles 23 and 28 of the Vienna Convention on Diplomatic Relations.

4. The Embassy continued to process requests for import and registration renewals and complied with all requirements except the one requiring comprehensive insurance covering the value of duties and sales tax as it had never been enforced. Beginning in September 2005, MFA&FT first informed the Embassy orally that it would no longer be able to issue vehicle registrations or annual renewal stickers without first seeing evidence that a comprehensive policy on a Jamaican company was in force at a value to cover duties and sales tax. Currently about 27 U.S. Embassy applications for renewal stickers, vehicle registrations, or transfer of title are pending with the Ministry. The number of pending applications will increase monthly until the matter is resolved.

5. In consultations with the Office of Foreign Missions of the Department, Post delivered a diplomatic note (see text para 10 below) on September 30, 2005, to MFA&FT requesting that all of the pending license renewals and vehicle registrations be issued immediately, waiving the comprehensive insurance requirement as had always been done in the past. The note pointed out that the expiration of personally-owned and government-owned vehicle registrations has already disrupted normal operations of this Mission and that continued disruption would reduce the Mission's ability to meet the Consular needs of the Jamaican public and would result in reciprocal action taken against vehicles of Jamaican officials in the United States.

6. All Embassy Kingston vehicles, POVs and GOVs, are insured by a Jamaican company for third party liability, as required by GOJ and common international practice. The USG is self-insured for any remaining risks, in accordance with Department policy. Most Embassy staff obtain a comprehensive insurance policy in the United States for their POVs. Such policies do not generally insure the policyholder at a value to cover duties and sales taxes. Sales tax in Jamaica is 16.5 percent and import duties run as high as 260 percent, depending on the size of the vehicle and the type of engine.

17. The Office of Foreign Missions (OFM) has instructed Post NOT/NOT to permit the use of GOVs and POVs unless the vehicles hold current licensing and registration. OFM has indicated that it can and will impose reciprocity on vehicles of Jamaican Staff and Missions in the United States if this matter is not promptly resolved. In the event Jamaican officials or family members drive vehicles whose licenses or registration have been revoked on the basis of reciprocity, they would be subject to being declared persona non grata and could be expelled from the United States.

18. All diplomatic and non-diplomatic staff and their spouses may each import one vehicle into Jamaica duty-free every three years. Duty is assessed on the sale of vehicles on a discounted basis if the vehicle is sold in Jamaica before it has been in country for three years. That is, the original duty declines by one thirty-sixth each month, until it reaches zero. In the event vehicles are damaged in an accident, the Finance Ministry assesses the duties on the original value of the vehicle at the time of import and discounts the duties in accordance with the amount of time the vehicle has been in country. Staff may not import an additional vehicle duty-free until the duty has been paid. Post believes this practice is unfair because the GOJ is attempting to collect the full value of taxes on vehicles that have little or no salvage value. This practice places an unnecessary burden on staff who suffer losses due to no fault of their own.

19. ACTION REQUEST: Post requests the Department's assistance in applying pressure on the GOJ that will encourage a prompt and reasonable solution so that Embassy operations may return to normal.

110. BEGIN TEXT OF DIPLOMATIC NOTE:

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and Foreign Trade, and has the honor to refer to the Ministry's Note of February 16, 2005, regarding Motor Vehicle Import Policy. The Embassy questions the validity under Articles 23 and 28 of the Vienna Convention on Diplomatic Relations for any Government to require Diplomatic and Non-Diplomatic personnel to insure their motor vehicles comprehensively at a value to cover duties and sales tax.

The Embassy calls to the Ministry's attention that we currently have 20 requests for renewal and seven requests for licensing pending and requests the Ministry immediately waive the comprehensive insurance requirement as it has consistently done in the past. This Embassy requires that owners of all vehicles obtain local liability insurance, at levels established by laws and regulations of the Government of Jamaica, which would indemnify the Jamaican public for losses sustained as a result of accidents caused by these vehicles. This is a standard to which most host Governments hold foreign missions throughout the world. The Embassy requests immediate processing of the pending licensing.

The Embassy wishes to call to the attention of the Ministry that the lack of the licenses in question is seriously disrupting the Embassy's ability to conduct normal operations. Continued disruptions to the Embassy's operations could have serious consequences in its ability to attend to normal business, including the processing of Consular workload on behalf of the Jamaican public. Continued insistence by the Ministry to require this Mission's vehicles to insure comprehensively at a value to cover duties and sales tax will also result in a reciprocal requirement being imposed on vehicles belonging to Jamaica's Missions and Diplomatic and Non-Diplomatic staff in the United States.

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs and Foreign Trade, Government of Jamaica, the assurances of its highest consideration.

Embassy of the United States of America,
Kingston, September 30, 2005.

END TEXT OF DIPLOMATIC NOTE.

ROBINSON